

HOW TO APPLY

If you're ready to purchase a home, follow these easy steps.

1. Contact an IFA participating lender for loan preapproval. A list of the more than 100 lenders who offer these programs is available at www.iowaFinanceAuthority.gov. The amount for which you're preapproved will help you know how much money you can borrow and the price of the home you can afford.
2. Determine whether your household income meets the programs' income requirements.
3. Find a home that meets your needs.
4. Determine if the price of the home meets the FirstHome and FirstHome Plus programs' purchase price requirements.
5. Get a signed purchase agreement for the home.
6. Apply for a mortgage with an IFA participating lender.

QUESTIONS?

If you have questions about credit, budgeting or other topics related to purchasing a home, please contact:

- The Iowa Finance Authority at 800.432.7230 or by visiting www.iowaFinanceAuthority.gov
- An IFA participating lender
- Your real estate agent
- The Iowa Home Ownership Education Project — www.ihoep.com (IHOEP can help with prepurchase home buyer education.)

OTHER PROGRAMS THAT CAN HELP

The Iowa Finance Authority offers two other programs that eligible borrowers can use in conjunction with FirstHome and FirstHome Plus. The rules for these programs are different than those for FirstHome and FirstHome Plus. Only IFA participating lenders offer these programs. Also, the availability of these programs may be limited and they may be discontinued without notice.

- 1. Military Service Member Homeownership Assistance program** — The Iowa Legislature created this program in 2005 to help eligible armed forces service members purchase a primary residence in Iowa. The program provides up to \$5,000 that may be used toward down payment on a qualifying home purchase and/or closing costs on a qualifying first purchase money mortgage. Home buyers must meet these eligibility requirements at the time of loan application:

- Have served 90 days active duty since September 11, 2001 (other than training);
- Is a federal status injured service person having served in active duty since September 11, 2001; or
- Is a surviving spouse of said eligible service person, all who have served honorably.

If the borrower is also eligible for FirstHome and FirstHome Plus, he or she must use one of those programs in conjunction with the Military Service Member Homeownership Assistance program.

- 2. REOHome** — This program offers up to \$10,000 in down payment/closing cost assistance to qualified Iowans who are purchasing a home that is Real Estate Owned (REO). (Real Estate Owned properties are in the possession of a lender as a result of foreclosure or forfeiture.) Eligible home buyers must also qualify for FirstHome or FirstHome Plus to take advantage of REOHome.

Iowa Finance Authority

800.432.7230

www.iowaFinanceAuthority.gov



FIRSTHOME
PROGRAM

Photo courtesy of Polk County Assessor's Office.



Mike Greenslaugh of Keokuk financed his home using the FirstHome program.

FIRSTHOME PROGRAM

The FirstHome program offers qualified home buyers low-cost, fixed rate mortgage financing.

FIRSTHOME PLUS PROGRAM

The FirstHome Plus program often has an interest rate slightly higher than FirstHome, but FirstHome Plus provides cash assistance of up to \$2,500 to help with closing costs, down payment or minor repairs. To qualify for FirstHome Plus, borrowers may not have an annual household income that exceeds \$49,600.

BENEFITS OF CHOOSING FIRSTHOME & FIRSTHOME PLUS

- Borrowers who use FirstHome or FirstHome Plus save money because the programs’ rates are typically lower or because fewer fees are included in the mortgage. Also, the interest rate is fixed for up to 30 years. Contact a participating lender or visit www.IowaFinanceAuthority.gov to review the current interest rates.
- Home mortgages financed with FirstHome or FirstHome Plus may require a very low down payment or no down payment at all, and may be conventional loans or loans backed by the federal government.
- Borrowers who use FirstHome or FirstHome Plus may request a free Title Guaranty Owner’s Certificate. This Certificate protects the borrower’s interest in the property’s title even after the home is sold. And if a title defect is identified, Title Guaranty becomes the borrower’s free legal defense.

WHO QUALIFIES?

Each year, thousands of Iowans use the FirstHome and FirstHome Plus programs to purchase the home of their dreams. You can take advantage of the programs too, if you meet these requirements:

- You must occupy the home within 60 days of closing.
- Your **household income** is within the limits provided below.
- Your home costs no more than the **purchase price** limits listed below.
- Following the natural disasters that devastated parts of Iowa in the summer of 2008, IFA expanded its Targeted Areas. Even if you own a home now or have owned a home previously, you may use FirstHome or FirstHome Plus if you are purchasing a home in a Targeted Area. Income limits and purchase price limits also apply.
- You may use FirstHome and FirstHome Plus to purchase a home in a Non-Targeted Area only if you have not owned a home previously, meaning you have not owned property in the last three years. Income limits and purchase price limits also apply.

FIRSTHOME PURCHASE PRICE AND INCOME LIMITS

Targeted Areas

Maximum Home Purchase Price \$289,000
Maximum Household Income Limits

COUNTY	1–2 PERSON HOUSEHOLD	3+ PERSON HOUSEHOLD	COUNTY	1–2 PERSON HOUSEHOLD	3+ PERSON HOUSEHOLD
Benton	\$78,120	\$91,140	Linn	\$81,120	\$94,640
Boone	\$76,440	\$89,180	Madison	\$86,040	\$100,380
Bremer	\$77,760	\$90,720	Marion	\$79,200	\$92,400
Carroll	\$75,000	\$87,500	Mills	\$83,880	\$97,860
Cedar	\$75,720	\$88,340	Muscatine	\$75,240	\$87,780
Dallas	\$86,040	\$100,380	Polk	\$86,040	\$100,380
Dubuque	\$75,000	\$87,500	Pottawattamie	\$83,880	\$97,860
Guthrie	\$86,040	\$100,380	Story	\$87,960	\$102,620
Harrison	\$83,880	\$97,860	Warren	\$86,040	\$100,380
Iowa	\$75,840	\$88,480	All other Iowa counties*	\$74,400	\$86,800
Jasper	\$75,000	\$87,500			
Johnson	\$91,200	\$106,400			

FIRSTHOME PLUS PURCHASE PRICE AND INCOME LIMITS

Targeted Areas

Maximum home purchase price \$289,000
Maximum household income limit \$49,600

- If you are a veteran, even if you have owned a home previously, you may take advantage of FirstHome and FirstHome Plus if you apply for financing within 25 years of your final date of active duty. In order to qualify, you may NOT have used a mortgage revenue bond program such as FirstHome or FirstHome Plus to finance a previous home purchase.

Non–Targeted Areas

Maximum Home Purchase Price \$237,000
Maximum Household Income Limits

COUNTY	1–2 PERSON HOUSEHOLD	3+ PERSON HOUSEHOLD
Buena Vista	\$62,000	\$71,300
Calhoun	\$62,000	\$71,300
Clay	\$62,000	\$71,300
Dickinson	\$62,000	\$71,300
Emmet	\$62,000	\$71,300
Ida	\$62,000	\$71,300
O’Brien	\$62,000	\$71,300
Osceola	\$62,000	\$71,300
Plymouth	\$64,400	\$74,060
Sac	\$62,000	\$71,300
Shelby	\$62,000	\$71,300
Sioux	\$62,000	\$71,300
Woodbury*	\$62,000	\$71,300

Non-Targeted Areas

Maximum home purchase price \$237,000
Maximum household income limit \$49,600

These limits are current as of April 2009 and are subject to change without notice. Household income limits are based on income limits published by the U.S. Department of Housing and Urban Development. *Two specific census tracts (0015 and 0016) within the city of Sioux City are designated as Targeted Areas. The remainder of Sioux City and Woodbury County are Non-Targeted Areas. In some specific and rare instances, home buyers who use FirstHome or FirstHome Plus are subject to a recapture tax. Contact the Iowa Finance Authority to learn more.

